UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF VIRGINIA Norfolk Division

UNITED STATES OF AMERICA, for the use and benefit of LGS Group, LLC,

Plaintiff/Counter-Defendant,

v. 2:07CV579

TESORO CORP.,

and

SAFECO INSURANCE COMPANY OF AMERICA,

Defendants/Counter-Plaintiffs.

ORDER

This matter is before the Court for entry of findings and fact and conclusions of law. The matter came on for bench trial on October 20, 2008, and concluded on October 22, 2008. The issues raised during trial are ripe for disposition.

For the reasons set forth on the record, the Court awards judgment in favor of defendant/counter-plaintiff, Tesoro Corp., and against use plaintiff/counter-defendant, LGS Group, LLC (hereinafter, "LGS"), in the sum of Fifty Two Thousand Five Hundred Eight and 61/100 Dollars (\$52,508.61), plus costs of trial and post-judgment interest. The award reflects the following elements:

\$13,553.69 - added costs of completion of Building 75 \$27,566.62 - added costs of completion of Building 218 \$11,388.30 - additional wages, due under the David-Bacon Act, and unpaid, which were the responsibility of LGS

The above judgment is SO ORDERED.

Further, Tesoro is entitled to costs and an award of attorneys' fees. Any such claim shall be filed within thirty days from the date of this Order and notice given to LGS. Response by LGS shall be due not later than fifteen days after service by Tesoro. When all

pleadings have been received, the Court will schedule a hearing addressed

only to the issue of the amount of attorneys' fees and costs.

In the absence of any evidence against Safeco Insurance

Company of North America of any wrongdoing sufficient to support a

judgment, all claims by LGS against Safeco are DISMISSED WITH PREJUDICE.

Further, the matters raised in Safeco's counter-claim are DISMISSED WITH

PREJUDICE.

LGS shall take nothing, and its claims are DISMISSED WITH

PREJUDICE.

This matter shall be retained on the docket for the sole

purpose of addressing attorneys' fees. The Clerk shall furnish a copy

of this Order to all counsel of record.

/s/

James E. Bradberry United States Magistrate Judge

Norfolk, Virginia

November 10, 2008

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